

IN THE MATTER OF THE APPLICATION OF

CONFORMANCE WITH THE REQUIREMENTS

SECTION 40-360, et seq., FOR A CERTIFICATE

ARIZONA PUBLIC SERVICE COMPANY IN

OF ARIZONA REVISED STATUTES

OF ENVIRONMENTAL COMPATIBILTY AUTHORIZING THE WEST VALLEY-SOUTH

230 KV TRANSMISSION LINE PROJECT, INCLUDING THE CONSTRUCTION OF

APPROXIMATELY 18 MILES OF 230 KV

AT THE PROPOSED TS2 SUBSTATION IN

TERMINATING AT THE EXISTING 230 KV

INTERCONNECT WITH THE PROPOSED TS4 SUBSTATION IN SECTION 28, TOWNSHIP 3

SECTION 19 TOWNSHIP 1 NORTH, RANGE 2.

WEST, G&SRB&M AND CONTINUING TO THE

TRANSMISSION LINES AND THREE 230 KV SUBSTATIONS IN MARICOPA COUNTY, ARIZONA, ORIGINATING

PROPÓSED TS3 SUBSTATION IN

RANGE 3 WEST, G&SRB&M AND

TRANSMISSION LINE THAT WILL

NORTH, RANGE 2 WEST, G&SRB&M

SECTION 22, TOWNSHIP 2, NORTH,

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## BEFORE THE ARIZONA POWER PLAN 40 A 13 P 1:07 TRANSMISSION LINE SITING COMMITTEE

AZ CORP COMMISSION DOCUMENT CONTROL

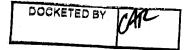
Docket No: L-00000D-03-0122

Case No: 122

Arizona Corporation Commission

DOCKETED

NOV 1 3 2003



## CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY

Pursuant to notice given as provided by law, the Arizona Power Plant and Transmission Line Siting Committee ("Committee") held public hearings on August 11 and 12, 2003, September 23 and 24, 2003 and on October 28, 2003, all in conformance with the requirements of Arizona Revised Statutes § 40-360, *et seq.*, for the purpose of receiving evidence and deliberating on the Application of Arizona Public Service Company ("Applicant") for a Certificate of Environmental Compatibility ("Certificate") in the above-captioned case. A route tour was conducted on August 12, 2003.

The following members and designees of members of the Committee were present at one or more of the hearings for the evidentiary presentations and/or for the deliberations:

	Laurie Woodall	Chairman, Designee for Arizona Attorney General, Terry Goddard
-	Ray Williamson	Designee for Chairman, Arizona Corporation Commission
	Richard Tobin	Designee for Director, Arizona Department of Environmental Quality
	Mark McWhirter	Designee for Director, Energy Department, Arizona Department of Commerce
	Gregg Houtz	Designee Director, Arizona Department of Water Resources
	Sandie Smith	Appointed Member
	Jeff McGuire	Appointed Member
	Margaret Trujillo	Appointed Member
	A. Wayne Smith	Appointed Member
	Michael Whalen	Appointed Member
	Michael Palmer	Appointed Member.

The Applicant was represented by Thomas H. Campbell of Lewis and Roca LLP and C. David Martinez of Pinnacle West Capital Corporation. The following parties were granted intervention pursuant to A.R.S. § 40-360.05: Arizona Corporation Commission ("Commission") Staff, represented by David Ronald; Camelback L.L.C., represented by Laura Raffaeli and Roger K. Ferland of Quarles & Brady Streich Lang L.L.P; Cortessa, Inc., represented by Lynne Lagarde of Earl, Curley & Lagarde, P.C.; South Side of Olive Avenue Property Owners<sup>1</sup>, represented by Jordan Rich Rose of Jorden, Bischoff, McGuire

<sup>&</sup>lt;sup>1</sup> Citrus & Northern LLC, Virgin Farms II, Virgin Farms Partners, Westside Wholesale Growers (Marilyn and John Hall), Warren and Jane Guard, Ed Brogdon, Pasqual and

& Rose, P.L.C.; Maricopa Water District, represented by Alicia Corlett and John Dacey of Gammage & Burnham, P.L.C.; DMB White Tank L.L.C. and White Tank Holdings, L.L.C., represented by Karrin Kunasek Taylor of Biskind, Hunt & Taylor, P.L.C.; and *propria persona*, Walter Meek.

At the conclusion of the hearings, the Committee, having received the Application, the appearances of the parties, the evidence, testimony and exhibits presented at the hearings, and being advised of the legal requirements of Arizona Revised Statutes §§ 40-360 to 40-360.13, upon motion duly made and seconded, voted unanimously to grant the Applicant a Certificate of Environmental Compatibility (Case No. 122) for authority to construct the following facilities as requested in the Application and modified by conditions herein: a 230kV transmission line within a 1500 foot wide corridor from the centerline of the roadway toward the side of the road where the line would be located, as described below, three substations and related facilities ("Project").

The West Valley – South project TS4 Substation will be located in Section 19, Township 1 North, Range 2 West, south of the existing Liberty Substation. The West Valley – South transmission line route (depicted on Exhibit A (attached)) will originate at an existing line that travels east to west that will tie into the Project where it would begin south of Broadway Road at its intersection with Perryville Road in Section 28, Township 1 North, Range 2 West. The project route will parallel the west side of Perryville Road until McDowell Road, and then continue north on the east side of Perryville Road to the northeast corner of Indian School Road and Perryville Road, in Section 22, Township 2 North, Range 2 West. The line then would extend east along the north side of Indian School Road toward Cotton Lane, in Section 23, Township 2 North, Range 2 West, and then angle to the northeast along the Luke Air Force Base accident potential zone. The

Christine Rudolfo, Michael and Noelia Rudolfo, William and Teri Weaver, Elijio and JoEllen Saenz, Robert and Mary Webster, Mark and Kelly Bozak, Carol Campise and Richard Winn

line will follow this angle until it reaches Cotton Lane. The line will then extend north along the east side of Cotton Lane to the TS3 substation site location on the east side of Cotton Lane in Section 24, Township 2 North, Range 2 West. The line will then travel north from TS3 to Bethany Home Road, in Sections 13 and 14 in Township 2 North, Range 2 West. At that point, the line will extend east on the south side of Bethany Home Road to Loop 303, in Section 13, Township 2 North, Range 2 West. The line will extend north along the west side of Loop 303 to Olive Avenue, in Sections 1 and 12 in Township 2 North, Range 2 West, and Section 36 in Township 3 North, Range 2 West, to a proposed TS2 substation on the northwest corner of the Loop 303 and Olive Avenue in Section 25 in Township 3 North, Range 2 West.

With the exception of turning and line crossing structures, the Project shall be constructed on double circuit monopoles with the capability for double circuit 69kV underbuild.

This Certificate is granted upon the following conditions:

- 1. The Applicant shall obtain all required approvals and permits necessary to construct the Project.
- 2. The Applicant shall comply with all existing applicable air and water pollution control standards and regulations, and with all existing applicable ordinances, master plans and regulations of the State of Arizona, the County of Maricopa, the United States, and any other governmental entities having jurisdiction.
- 3. This authorization to construct the Project shall expire 10 years from the date the Certificate is approved by the Commission unless construction is completed to the point that the Project is capable of operating by that time; provided, however, that the authorization to construct the second circuit of the Project shall expire 15 years from

date of this Certificate; and further provided, however, that prior to either such expiration the Applicant or its assignees may request that the Commission extend this time limitation.

- 4. The Applicant shall make every reasonable effort to identify and correct, on a case-specific basis, all complaints of interference with radio or television signals from operation of the transmission line and related facilities addressed in this Certificate. In addition to any transmission repairs, relevant corrective actions may include adjusting or modifying receivers; adjusting, repairing, replacing or adding antennas, antenna signal amplifiers, filters, or lead-in cables; or other corrective actions. The Applicant shall maintain written records for a period of five years of all complaints of radio or television interference attributable to operation, together with the corrective action taken in response to each complaint. All complaints shall be recorded to include notations on the corrective action taken. Complaints not leading to a specific action or for which there was no resolution shall be noted and explained. The record shall be signed by the Applicant and also the complainant, if possible, to indicate concurrence with the corrective action or agreement with the justification for a lack of action.
- 5. The Project shall comply with applicable noise standards of the federal Department of Housing and Urban Development and the Environmental Protection Agency. 24 CFR §§ 51.102, 51.103 (1979); Information on Levels of Environmental Noise Requisite to Protect Public Health and Welfare with an Adequate Margin of

- Safety, U.S. Environmental Protection Agency, Document 5519-74-004, U.S. Government Printing Office, 1974.
- 6. The Applicant shall continue to consult with the State Historic Preservation Office ("SHPO") to reach a determination of any cultural or archaeological impacts as a result of construction activities. If the result is a determination of negative impact, the Applicant shall continue to consult with the SHPO to resolve the negative impacts. The Applicant will provide a treatment plan, to minimize impacts, for SHPO review and approval and shall continue to consult with SHPO to resolve any such impacts. The Applicant shall avoid and/or minimize impacts to properties considered eligible for inclusion in the State and National Register of Historic Places to the extent possible.
- 7. If human remains and/or funerary objects are encountered during the course of any ground disturbing activities relating to the development of the subject property, Applicant shall cease work on the affected area of the Project and notify the Director of the Arizona State Museum in accordance with A.R.S. § 41-865.
- 8. Applicant shall retain an archaeologist during construction activities in applicable areas, as determined by SHPO, to advise them in connection with any additional archaeological studies that may be required and any mitigation efforts for archaeological sites that may be affected by the construction of the Project.
- 9. After construction, the Applicant, in conjunction with any applicable land-managing agency, shall allow Arizona Site Stewards, a

volunteer-staffed SHPO program, to periodically inspect the sites within the corridor for vandalism or other damage.

- 10. The Applicant shall follow the Arizona State Land Department's ("ASLD") instructions, if any, regarding the treatment of State Register of Historic Places eligible properties situated on ASLD land in consultation with SHPO.
- 11. In consultation with SHPO and the land-managing agency, the Applicant will consider and assess potential direct and indirect impacts to eligible properties related to new access roads or any existing access roads that require blading.
- 12. Where practicable, the Applicant shall use existing roads for construction and access. The Applicant shall minimize vegetation disturbance, particularly in drainage channels and along stream banks, and shall revegetate or restore native areas of construction disturbance.
- 13. The Applicant shall use non-specular conductor and dulled surfaces for transmission line structures.
- 14. Within 45 days of securing easement or right-of-way for the Project, the Applicant shall erect and maintain signs providing public notice that the property is the site of a future transmission line. Such signage shall be no smaller than a normal roadway sign. The Applicant shall place signs in prominent locations at reasonable intervals such that the public is notified along the full length of the transmission line until the transmission structures are constructed. There also must be signs at the location of the proposed substations. The signs shall advise:

- That the site has been approved for the construction of Project facilities including a 230 kV transmission line, as applicable to the individual site:
- The expected date of completion of the Project facilities; and
- A phone number for public information regarding the Project.
- 15. In the event that the Project requires an extension of the term of this Certificate prior to completion of construction, Applicant shall use reasonable means to directly notify all landowners and residents within a one-half-mile radius of the Project facilities for which the extension is sought. Such landowners and residents shall be notified of the time and place of the proceeding in which the Commission shall consider such request for extension.
- 16. Before construction on this Project may commence, the Applicant must file a construction mitigation and restoration plan with the Commission's Docket Control Office with copies to affected areas of jurisdiction. The Applicant shall, within one year of completion of construction of the Project, rehabilitate to its original state any native area disturbed by construction of the Project, except for any road that may be necessary to access the transmission lines or substation sites for maintenance and repair.

The goals of the plan will be to:

- Avoid impacts where practical;
- Where impacts are unavoidable, minimize impacts; and
- Focus on site preparation to facilitate natural processes of revegetation.

Other key elements of the Plan, when not inconsistent with the respective land management agencies' or local owners' requirements, are to:

- Emphasize final site preparation to encourage natural revegetation;
- Avoid (i.e., preserve), where practical, mature native trees;
- Stipulate a maximum construction corridor width;
- Reserve topsoil and native plant materials from right-of-way before grading, and respread over the right-of-way after construction is complete;
- Imprint the restored right-of-way to provide indentations to catch seed and water;
- Implement best management practices to protect the soil;
- Apply restoration methods that have been shown to work in the desert environment; and
- Prevent, where applicable, the spread of noxious weeds or other undesirable species.
- 17. Applicant shall monitor all ground clearing/disturbing construction activities that may affect sensitive habitat. If a special status species is encountered, Applicant shall retain a biological monitor to ensure proper actions are taken with regard to such species. If Sonoran desert tortoises are encountered during construction, the Applicant shall follow the Arizona Game and Fish Department's ("AGFD") Guidelines for Handling Sonoran Desert Tortoises.
- 18. Applicant shall salvage mesquite, ironwood, palo verde trees and saguaros removed during project construction activities consistent

- with Arizona's Native Plant Law and use the vegetation for reclamation in or near its original location.
- 19. Applicant shall implement landscaping for the substation sites in accordance with the applicable municipal planning and zoning requirements.
- 20. The Applicant shall submit a self-certification letter annually, identifying which conditions contained in the Certificate have been met. Each letter shall be submitted to the Commission's Utilities Division Director on December 1, beginning in 2004. Attached to each certification letter shall be documentation explaining in detail how compliance with each condition was achieved. Copies of each letter, along with the corresponding documentation, also shall be submitted to the Arizona Attorney General and Department of Commerce Energy Office.
- 21. With respect to the Project, Applicant shall participate in good faith in state and regional transmission study forums such as the Central Arizona Transmission Study and the Southwest Transmission Enhancement Plan, and shall coordinate transmission expansion plans related to the Project to resolve transmission constraints in a timely manner.
- 22. The following condition is to ensure transmission system safety and reliability when a transmission structure is placed within one hundred feet of a natural gas or hazardous liquid pipeline right-of-way, excluding distribution lines as defined by the Code of Federal Regulations, 49 C.F.R. Sect. 192.3 (2001). Under such circumstances, the Applicant shall:

- (a) Provide the appropriate grounding and cathodic protection studies to show that the transmission line results in no material adverse impacts to such natural gas or hazardous liquid pipeline, whose right-of-way is a hundred feet or less from the transmission structure, when both are in operation. A report of the studies shall be provided to the Commission by the Applicant as part of its compliance with the Certificate. If material adverse impacts are noted in the studies, Applicant shall take appropriate steps to ensure such material adverse impacts are eliminated. Applicant shall provide to the Commission written documentation of the actions that were taken and provide documentation showing that no material adverse impacts are occurring.
- (b) Adopt a written mitigation plan outlining any and all steps taken to protect all electric facilities associated with the transmission line as a result of this Project from any potential hazards that could occur whenever a transmission line structure is placed 100 feet or less from any such pipeline right-of-way. The plan shall indicate what corrective action will be taken to mitigate any potential hazard that could occur. A potential hazard includes, but is not limited to, a rupture or explosion resulting from the pipeline. The written mitigation plan shall be provided to the Commission by the Applicant as part of its compliance with this Certificate and shall be subject to approval from Commission Staff. Applicant shall

implement the written mitigation plan during a hazard as part of its compliance with this Certificate.

- 23. The Applicant shall provide copies of this Certificate to SHPO, AGFD, appropriate city and county planning agencies, and ASLD.
- 24. Applicant, within 60 days of the issuance of the Certificate by the Commission, shall begin work with developers along the route to encourage them to include the identity and location of the certificated route in the developers' homeowners disclosure statement.

GRANTED this 13th day of November 2003.

THE ARIZONA POWER PLANT AND TRANSMISSION LINE SITING COMMITTEE

By: / / / / / / / / / / Laurie A. Woodall. Chairman

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## **EXHIBIT A**

